

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: <b>ML-48758</b>		6. SURFACE: State	
1A. TYPE OF WORK:    DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>						7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL:    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____    SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>						8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>KERR MCGEE OIL &amp; GAS OIL ONSHORE LP</b>						9. WELL NAME and NUMBER: <b>STATE 921-32J</b>	
3. ADDRESS OF OPERATOR: <b>1368 S. 1200 E.</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>				PHONE NUMBER: <b>(435) 781-7024</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>2157'FSL, 1750'FEL</b> AT PROPOSED PRODUCING ZONE: _____						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSE 32 9S 21E</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>12.5 MILES SOUTHEAST OF OURAY, UTAH</b>						12. COUNTY: <b>UINTAH</b>	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>1750'</b>				16. NUMBER OF ACRES IN LEASE: <b>348.80</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40.00</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>REFER TO TOPO C</b>				19. PROPOSED DEPTH: <b>9,840</b>		20. BOND DESCRIPTION: <b>RLB0005238</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4909'GL</b>				22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION:	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,240	315 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2"	I-80	11.6#	9,840	2020 SX 50/50 POZ	1.31 YIELD	14.3 PPG

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) <b>SHEILA UPCHEGO</b>	TITLE <b>REGULATORY ANALYST</b>
SIGNATURE	DATE <b>5/8/2006</b>

(This space for State use only)

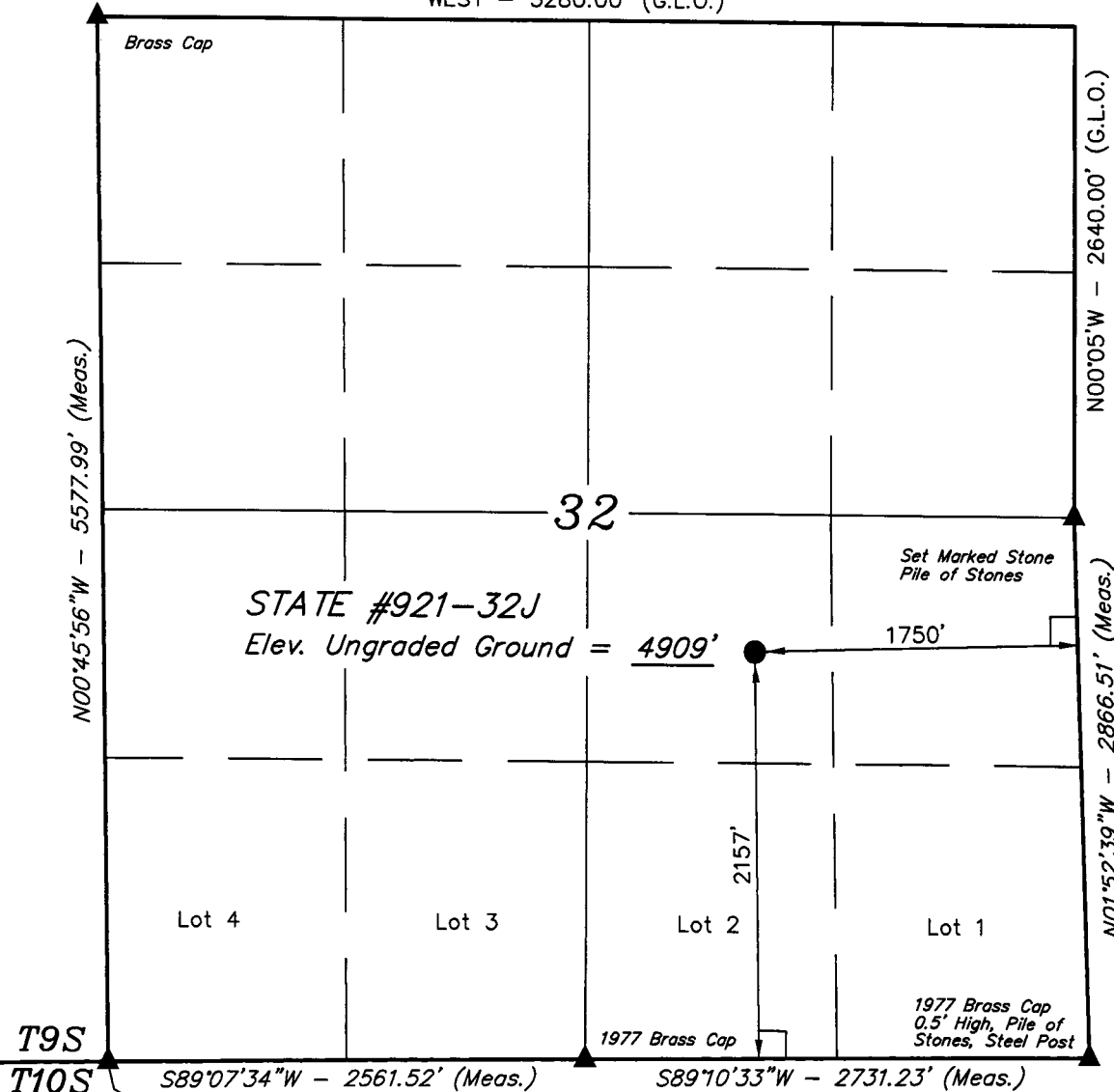
API NUMBER ASSIGNED: 43-047-38130

APPROVAL:

RECEIVED  
 MAY 15 2006  
 DIV. OF OIL, GAS & MINING

*T9S, R21E, S.L.B.&M.*

WEST - 5280.00' (G.L.O.)



**LEGEND:**

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 39°59'25.82" (39.990506)  
LONGITUDE = 109°34'20.18" (109.572272)  
(NAD 27)  
LATITUDE = 39°59'25.95" (39.990542)  
LONGITUDE = 109°34'17.70" (109.571583)

**Kerr McGee Oil & Gas Onshore LP**

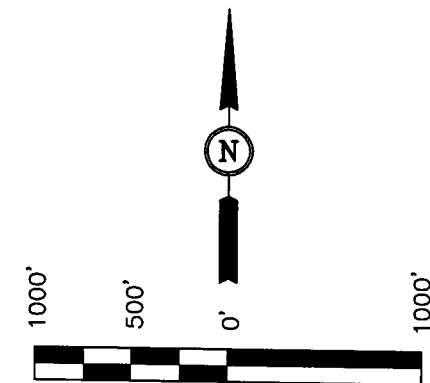
Well location, STATE #921-32J, located as shown in the NW 1/4 SE 1/4 of Section 32, T9S, R21E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*John H. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'		DATE SURVEYED: 02-23-06	DATE DRAWN: 03-17-06
PARTY P.J. N.F. S.L.		REFERENCES G.L.O. PLAT	
WEATHER COLD		FILE Kerr McGee Oil & Gas Onshore LP	

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

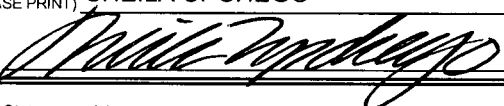
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NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST  
SIGNATURE  DATE 5/8/2006

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Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 06-29-06

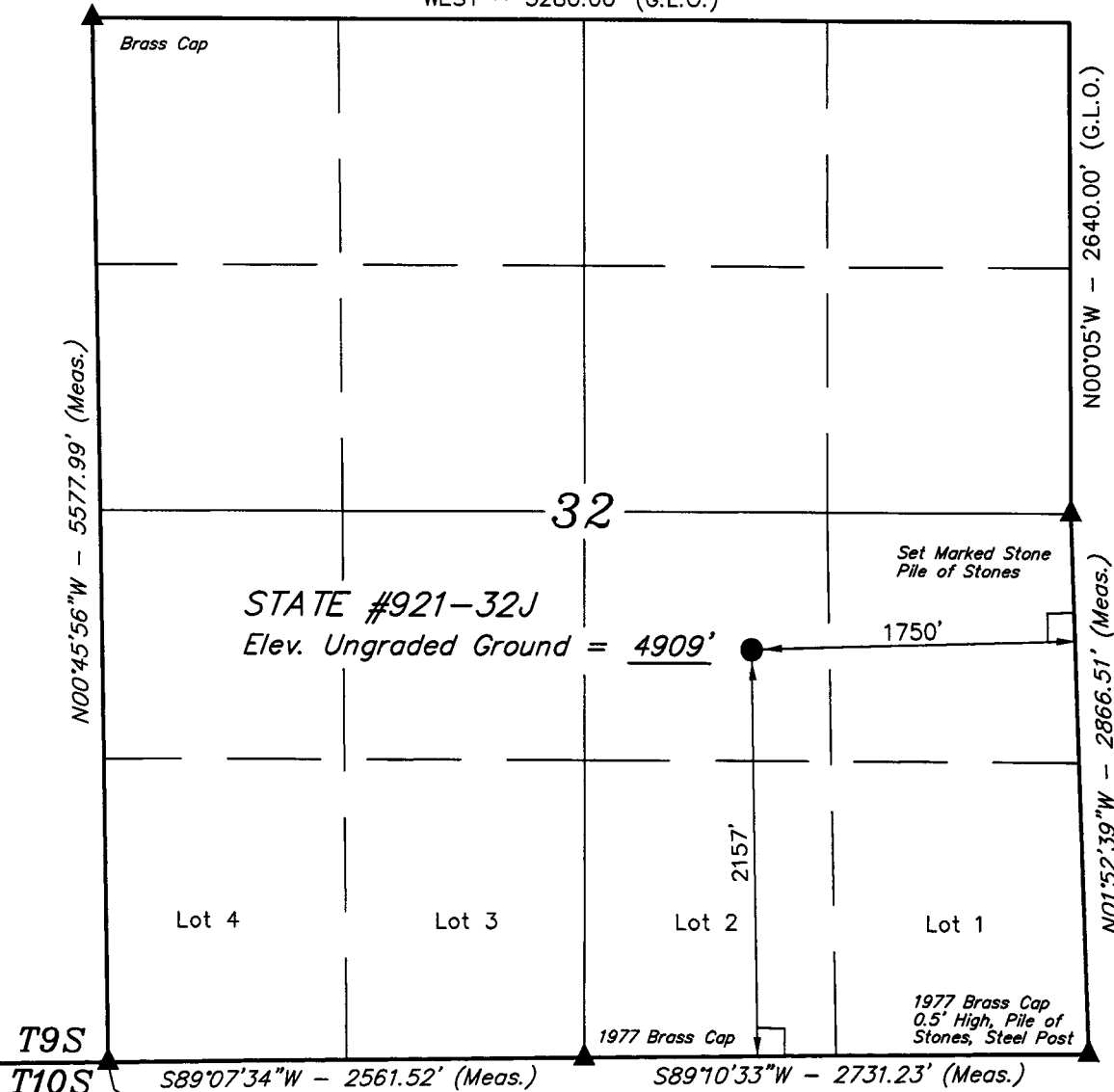
By: 

RECEIVED  
MAY 15 2006

DIV. OF OIL, GAS & MINING

*T9S, R21E, S.L.B.&M.*

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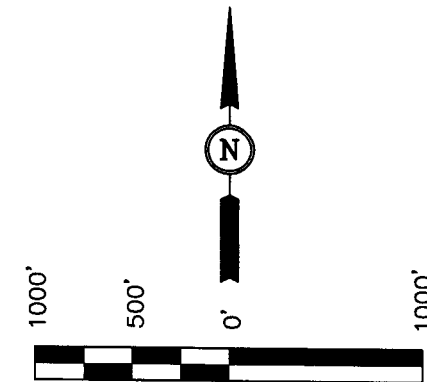
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 REGISTRATION NO. 161379  
 STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**

85 SOUTH 200 EAST - VERNAL, UTAH 84078

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PARTY P.J. N.F. S.L.		REFERENCES G.L.O. PLAT	
WEATHER COLD		FILE Kerr McGee Oil & Gas Onshore LP	

**STATE 921-32J  
NWSE SEC 32-T9S-R21E  
UINTAH COUNTY, UTAH  
ML-48758**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1481'
Top of Birds Nest Water	1731'
Mahogany	2240'
Wasatch	4752'
Mesaverde	7738'
MVU2	8624'
MVL1	9253'
TD	9840'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1481'
	Top of Birds Nest Water	1731'
	Mahogany	2373'
Gas	Wasatch	4752'
Gas	Mesaverde	7738'
Gas	MVU2	8624'
Gas	MVL1	9253'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

*Please refer to the attached Drilling Program.*

**4. Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

**5. Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

**6. Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9840' TD, approximately equals 6101 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3936 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*



# KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE May 8, 2006  
WELL NAME STATE 921-32J TD 9,840' MD/TVD  
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,909' GL KB 4,924'  
SURFACE LOCATION NWSE SECTION 32, T9S, R21E 2157'FSL, 1750'FEL BHL Straight Hole  
Latitude: 39.990506 Longitude: 109.572272  
OBJECTIVE ZONE(S) Wasatch/Mesaverde  
ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
			**For wells w/ surf csg set below 2200' app 10 jts of 36# J55 will be run on bottom		
Catch water sample, if possible, from 0 to 4,752'					
	Green River @	1,481'			
	Top of Birds Nest Water @	1,731'			
	Preset f/ GL @				
	2,240' MD				
	Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.				
	Mahogany @	2,373'			
Mud logging program TBD					
Open hole logging program f/ TD - surf csg					
	Wasatch @	4,752'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-12.2 ppg
	Mverde @	7,738'			
	MVU2 @	8,624'			
	MVL1 @	9,253'			
	TD @	9,840'			Max anticipated Mud required 12.2 ppg



# **KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM**

## **CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1840	32.30	H-40	STC	0.56*****	1.59	4.01
	9-5/8"	1840 to 2240	36.00	J-55	STC	1.06*****	1.93	8.90
PRODUCTION	4-1/2"	0 to 9840	11.60	I-80	LTC	1.91	1.02	201000

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 12.2 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoys.Fact. of water)
- MASP 4078 psi
- \*\*\*\*\* Burst SF is low but csg is stronger than formation at 2240 feet
- \*\*\*\*\* EMW @ 2240 for 2270# is 19.5 ppg or 1.0 psi/ft

## **CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	2000	<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b> Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	230	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,250'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	460	60%	11.00	3.38
	TAIL	5,590'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1560	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

## **FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

## **ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

four sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

**DRILLING ENGINEER:**

Brad Laney

**DATE:** \_\_\_\_\_

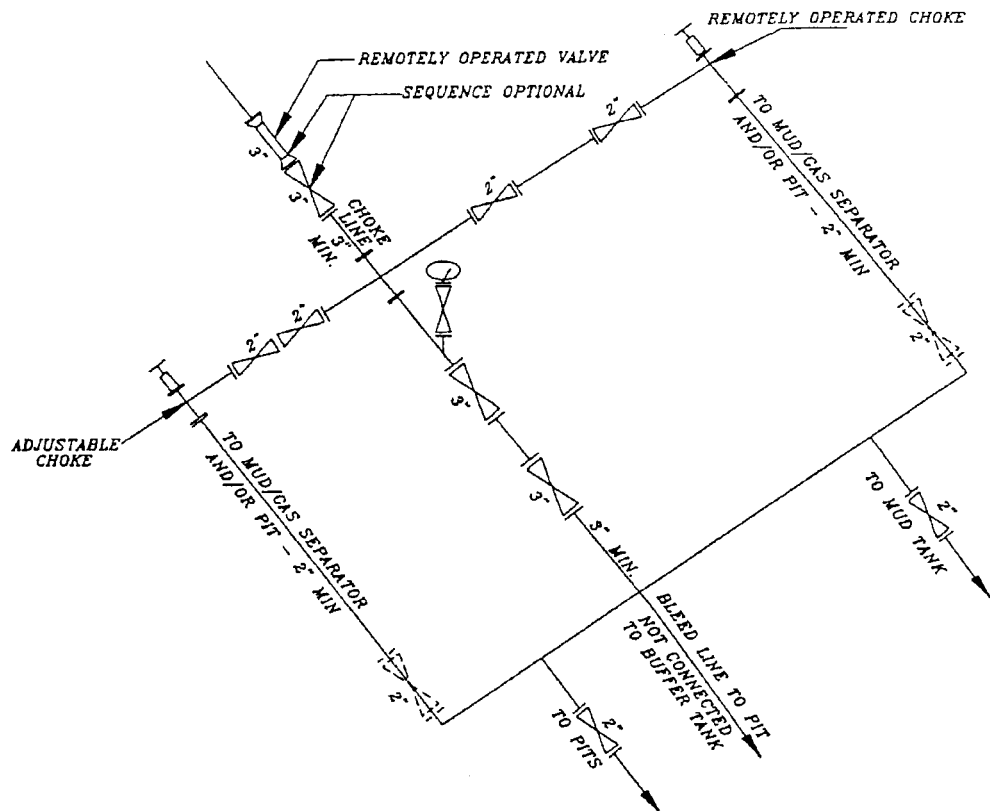
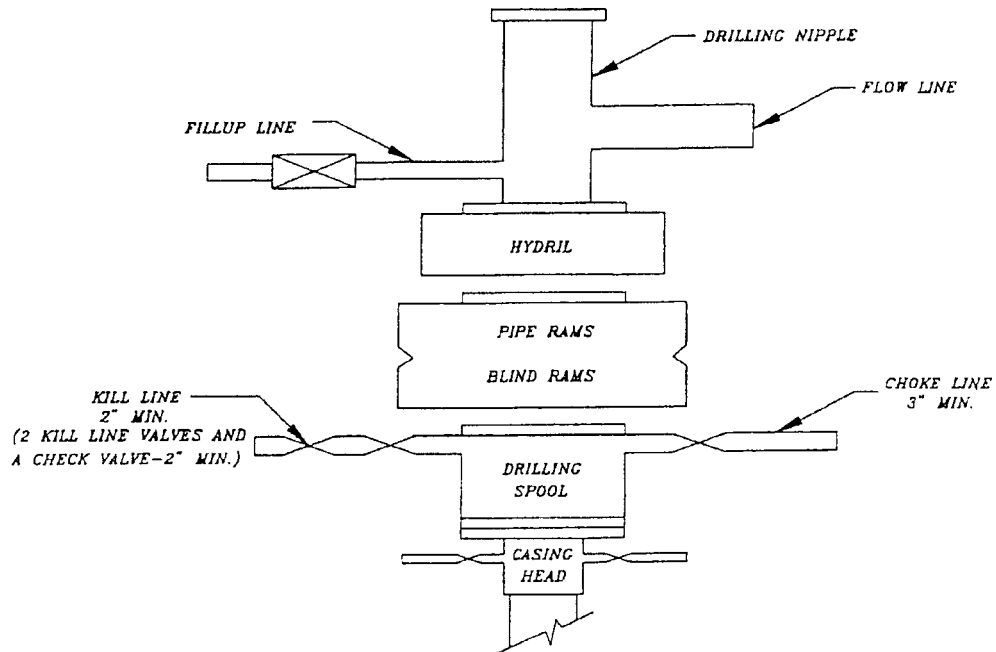
**DRILLING SUPERINTENDENT:**

Randy Bayne

STATE921-32J APD.xls

**DATE:** \_\_\_\_\_

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**STATE 921-32J  
NWSE SEC 32-T9S-R21E  
Uintah County, UT  
ML-48758**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

Approximately 0.3 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.*

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1600' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

**8. Ancillary Facilities:**

None are anticipated.

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

**10. Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

SITLA  
675 East 500 South, Suite 500  
Salt Lake City, UT 84102

**12. Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed by MOAC on 04/28/2006, Archaeological Report No. 06-94.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

**13. Lessee's or Operators's Representative & Certification:**

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East.  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Sheila Upchego

5/8/2006

Date

# Kerr-McGee Oil & Gas Onshore LP

STATE #921-32J

SECTION 32, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE STATE #921-320 TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.5 MILES.

# Kerr-McGee Oil & Gas Onshore LP

## STATE #921-32J

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 32, T9S, R21E, S.L.B.&M.

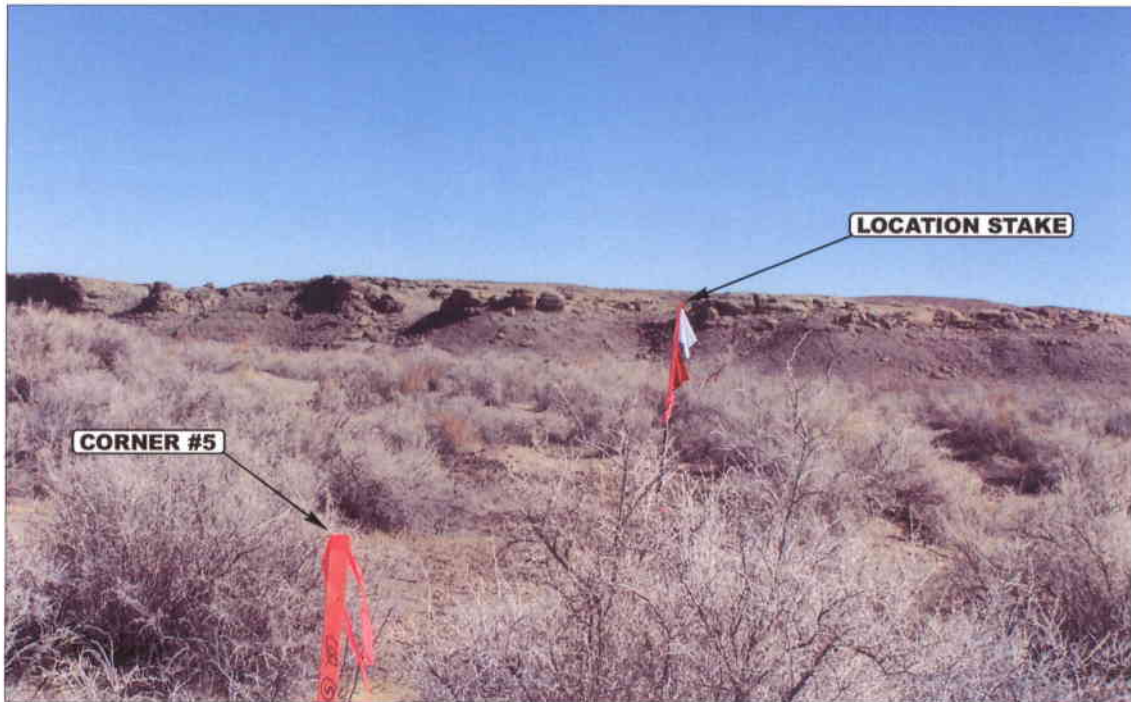


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

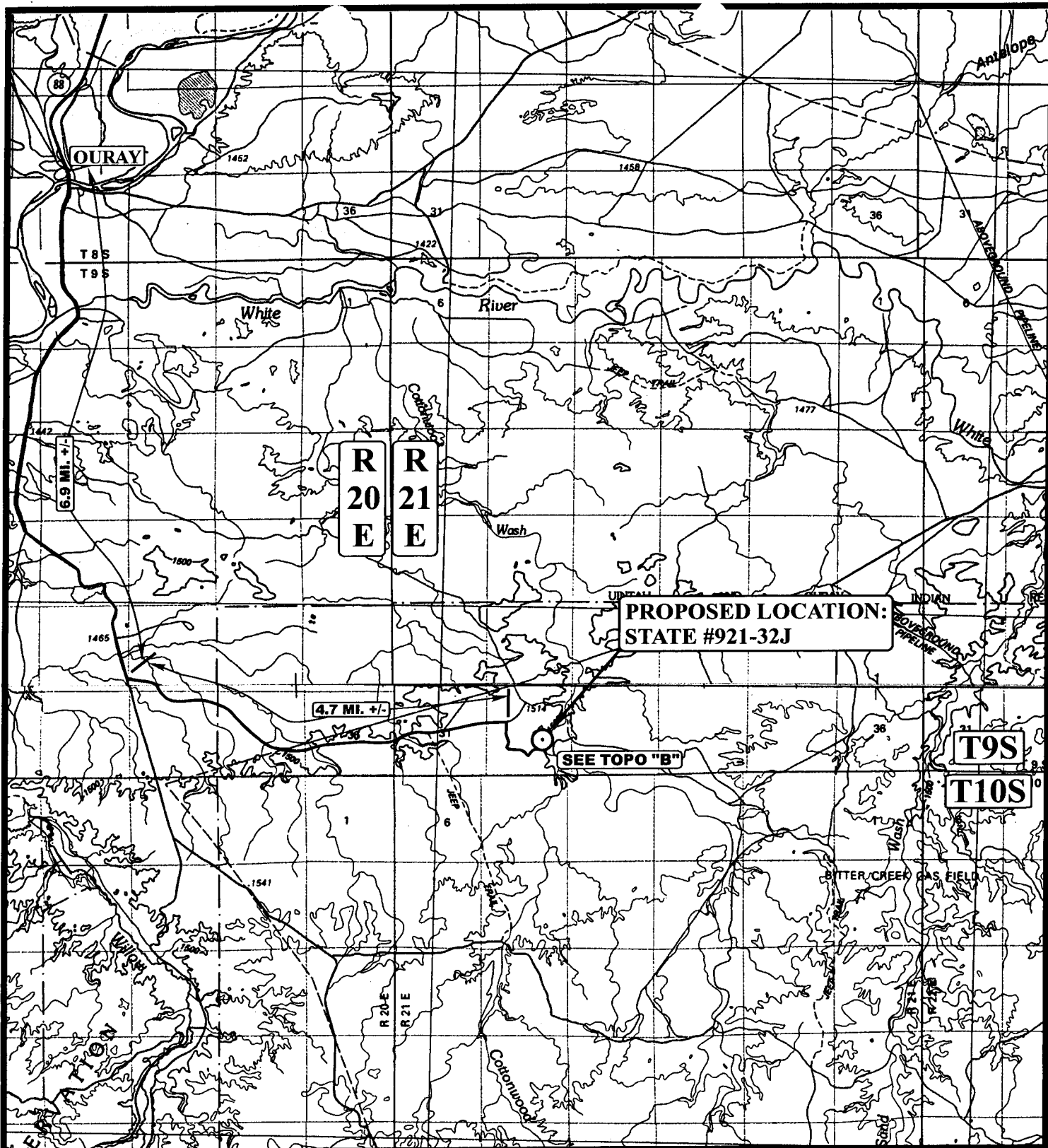
**03** **21** **06**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: P.J.

DRAWN BY: LDK

REVISED: 00-00-00



# LEGEND:

○ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

STATE #921-32J

SECTION 32, T9S, R21E, S.L.B.&M.

2157' FSL 1750' FEL



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
 MAP

03 21 06  
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: LDK REVISED: 00-00-00



R  
21  
E



**LEGEND:**

————— EXISTING ROAD  
- - - - - PROPOSED ACCESS ROAD

N



**Kerr-McGee Oil & Gas Onshore LP**

**STATE #921-32J**

**SECTION 32, T9S, R21E, S.L.B.&M.**

**2157' FSL 1750' FEL**



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**TOPOGRAPHIC  
MAP**

**03 21 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: LDK REVISED: 00-00-00



**R 21 E**

**PROPOSED LOCATION:  
STATE #921-32J**

**T9S  
T10S**

Map labels include: 4909, 4900, 4939, 4923, 4950, 4996, 4999, 4932, 4941, 4940, 5000, 4980, 5040, 5047, 5066, 5013, 5052, 5084, 5001, 5006, 4968, 4960, 4950, 4930, 4920, 4910, 4900, 4930, 4940, 4950, 4960, 4970, 4980, 4990, 5000, 5010, 5020, 5030, 5040, 5050, 5060, 5070, 5080, 5090, 5100, 5110, 5120, 5130, 5140, 5150, 5160, 5170, 5180, 5190, 5200, 5210, 5220, 5230, 5240, 5250, 5260, 5270, 5280, 5290, 5300, 5310, 5320, 5330, 5340, 5350, 5360, 5370, 5380, 5390, 5400, 5410, 5420, 5430, 5440, 5450, 5460, 5470, 5480, 5490, 5500, 5510, 5520, 5530, 5540, 5550, 5560, 5570, 5580, 5590, 5600, 5610, 5620, 5630, 5640, 5650, 5660, 5670, 5680, 5690, 5700, 5710, 5720, 5730, 5740, 5750, 5760, 5770, 5780, 5790, 5800, 5810, 5820, 5830, 5840, 5850, 5860, 5870, 5880, 5890, 5900, 5910, 5920, 5930, 5940, 5950, 5960, 5970, 5980, 5990, 6000, 6010, 6020, 6030, 6040, 6050, 6060, 6070, 6080, 6090, 6100, 6110, 6120, 6130, 6140, 6150, 6160, 6170, 6180, 6190, 6200, 6210, 6220, 6230, 6240, 6250, 6260, 6270, 6280, 6290, 6300, 6310, 6320, 6330, 6340, 6350, 6360, 6370, 6380, 6390, 6400, 6410, 6420, 6430, 6440, 6450, 6460, 6470, 6480, 6490, 6500, 6510, 6520, 6530, 6540, 6550, 6560, 6570, 6580, 6590, 6600, 6610, 6620, 6630, 6640, 6650, 6660, 6670, 6680, 6690, 6700, 6710, 6720, 6730, 6740, 6750, 6760, 6770, 6780, 6790, 6800, 6810, 6820, 6830, 6840, 6850, 6860, 6870, 6880, 6890, 6900, 6910, 6920, 6930, 6940, 6950, 6960, 6970, 6980, 6990, 7000, 7010, 7020, 7030, 7040, 7050, 7060, 7070, 7080, 7090, 7100, 7110, 7120, 7130, 7140, 7150, 7160, 7170, 7180, 7190, 7200, 7210, 7220, 7230, 7240, 7250, 7260, 7270, 7280, 7290, 7300, 7310, 7320, 7330, 7340, 7350, 7360, 7370, 7380, 7390, 7400, 7410, 7420, 7430, 7440, 7450, 7460, 7470, 7480, 7490, 7500, 7510, 7520, 7530, 7540, 7550, 7560, 7570, 7580, 7590, 7600, 7610, 7620, 7630, 7640, 7650, 7660, 7670, 7680, 7690, 7700, 7710, 7720, 7730, 7740, 7750, 7760, 7770, 7780, 7790, 7800, 7810, 7820, 7830, 7840, 7850, 7860, 7870, 7880, 7890, 7900, 7910, 7920, 7930, 7940, 7950, 7960, 7970, 7980, 7990, 8000, 8010, 8020, 8030, 8040, 8050, 8060, 8070, 8080, 8090, 8100, 8110, 8120, 8130, 8140, 8150, 8160, 8170, 8180, 8190, 8200, 8210, 8220, 8230, 8240, 8250, 8260, 8270, 8280, 8290, 8300, 8310, 8320, 8330, 8340, 8350, 8360, 8370, 8380, 8390, 8400, 8410, 8420, 8430, 8440, 8450, 8460, 8470, 8480, 8490, 8500, 8510, 8520, 8530, 8540, 8550, 8560, 8570, 8580, 8590, 8600, 8610, 8620, 8630, 8640, 8650, 8660, 8670, 8680, 8690, 8700, 8710, 8720, 8730, 8740, 8750, 8760, 8770, 8780, 8790, 8800, 8810, 8820, 8830, 8840, 8850, 8860, 8870, 8880, 8890, 8900, 8910, 8920, 8930, 8940, 8950, 8960, 8970, 8980, 8990, 9000, 9010, 9020, 9030, 9040, 9050, 9060, 9070, 9080, 9090, 9100, 9110, 9120, 9130, 9140, 9150, 9160, 9170, 9180, 9190, 9200, 9210, 9220, 9230, 9240, 9250, 9260, 9270, 9280, 9290, 9300, 9310, 9320, 9330, 9340, 9350, 9360, 9370, 9380, 9390, 9400, 9410, 9420, 9430, 9440, 9450, 9460, 9470, 9480, 9490, 9500, 9510, 9520, 9530, 9540, 9550, 9560, 9570, 9580, 9590, 9600, 9610, 9620, 9630, 9640, 9650, 9660, 9670, 9680, 9690, 9700, 9710, 9720, 9730, 9740, 9750, 9760, 9770, 9780, 9790, 9800, 9810, 9820, 9830, 9840, 9850, 9860, 9870, 9880, 9890, 9900, 9910, 9920, 9930, 9940, 9950, 9960, 9970, 9980, 9990, 10000.

Map labels include: Gas Well, PIPELINE, NBU 35Y, NBU 921-29M, NBU 921-29N, NBU 364, NBU 455, NBU 134, NBU 396, NBU 424-32E, NBU 438, NBU 1-32G, NBU 428, NBU 2700, NBU 921-32L, NBU 921-32M, NBU 921-32P, NBU 28, NBU 376, CIGE 260, NBU 12, NBU 9-32B, NBU 921-32J (proposed location), NBU 921-32K, NBU 921-32L, NBU 921-32M, NBU 921-32N, NBU 921-32O, NBU 921-32P, NBU 921-32Q, NBU 921-32R, NBU 921-32S, NBU 921-32T, NBU 921-32U, NBU 921-32V, NBU 921-32W, NBU 921-32X, NBU 921-32Y, NBU 921-32Z, NBU 921-32AA, NBU 921-32AB, NBU 921-32AC, NBU 921-32AD, NBU 921-32AE, NBU 921-32AF, NBU 921-32AG, NBU 921-32AH, NBU 921-32AI, NBU 921-32AJ, NBU 921-32AK, NBU 921-32AL, NBU 921-32AM, NBU 921-32AN, NBU 921-32AO, NBU 921-32AP, NBU 921-32AQ, NBU 921-32AR, NBU 921-32AS, NBU 921-32AT, NBU 921-32AU, NBU 921-32AV, NBU 921-32AW, NBU 921-32AX, NBU 921-32AY, NBU 921-32AZ, NBU 921-32BA, NBU 921-32BB, NBU 921-32BC, NBU 921-32BD, NBU 921-32BE, NBU 921-32BF, NBU 92

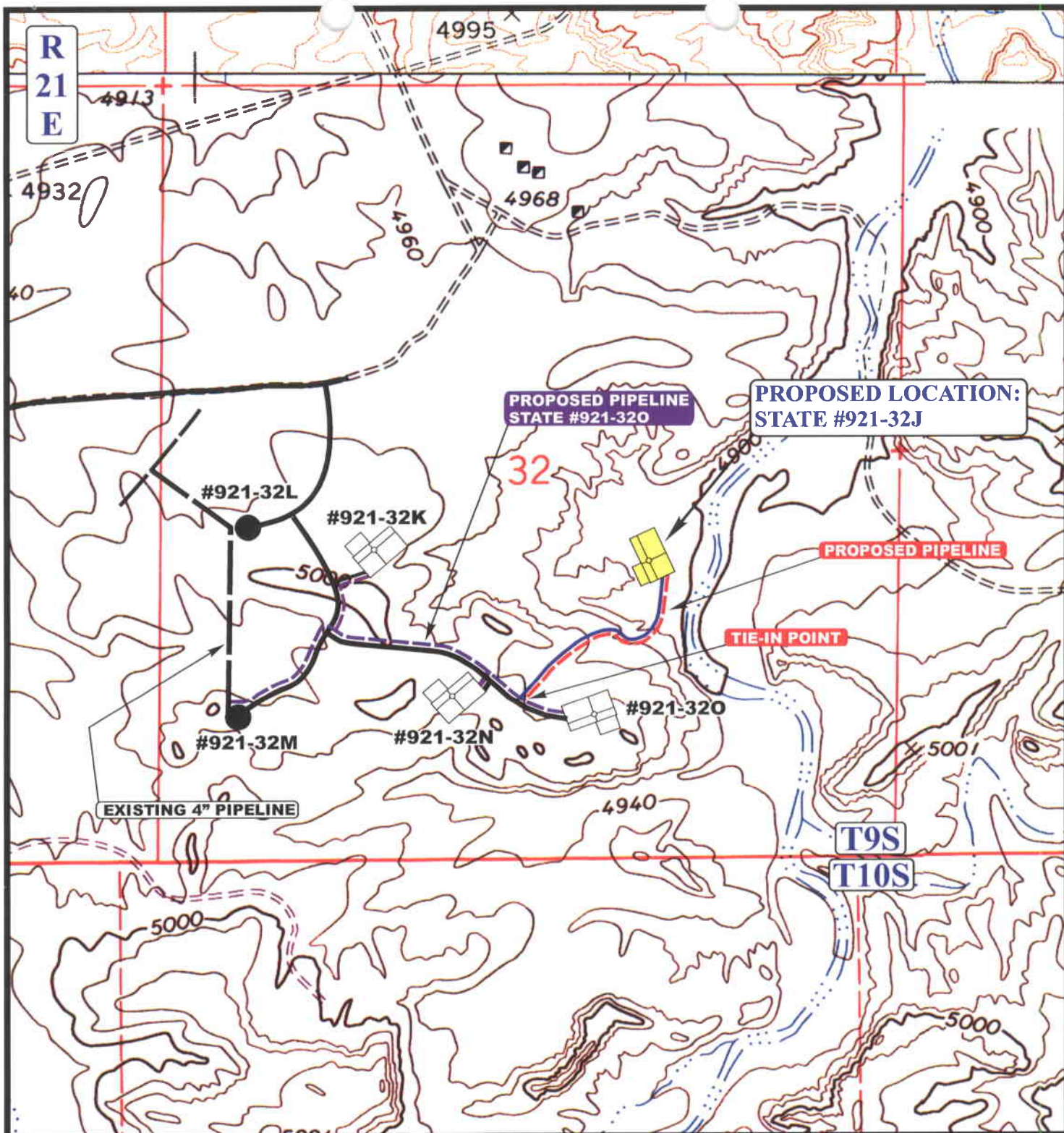
 DISPOSAL WELLS	 WATER WELLS
 PRODUCING WELLS	 ABANDONED WELLS
 SHUT IN WELLS	 TEMPORARILY ABANDONED

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**85 South 200 East Vernal, Utah 84078**  
**(435) 789-1017 \* FAX (435) 789-1813**



**STATE #921-32J**  
**SECTION 32, T9S, R21E, S.L.B.&M.**  
**2157' FSL 1750' FEL**





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1,600' +/-**

# **LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



**Kerr-McGee Oil & Gas Onshore LP**

**STATE #921-32J**

**SECTION 32, T9S, R21E, S.L.B.&M.**

**2157' FSL 1750' FEL**



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**TOPOGRAPHIC  
 MAP**

**03 21 06**  
 MONTH DAY YEAR

**SCALE: 1" = 1000' DRAWN BY: LDK REVISED: 00-00-00**



# Kerr-McGee Oil & Gas Onshore LP

STATE #921-32J

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R21E, S.L.B.&M.



PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

**UELs** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**PIPELINE PHOTOS**

**03** **21** **06**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: P.J.

DRAWN BY: LDK

REVISED: 00-00-00

# Keir-McGee Oil & Gas Onshore LP

FIGURE #1

## LOCATION LAYOUT FOR

STATE #921-32J  
SECTION 32, T9S, R21E, S.L.B.&M.  
2157' FSL 1750' FEL

Existing  
Drainage

F-0.5'  
El. 908.5'

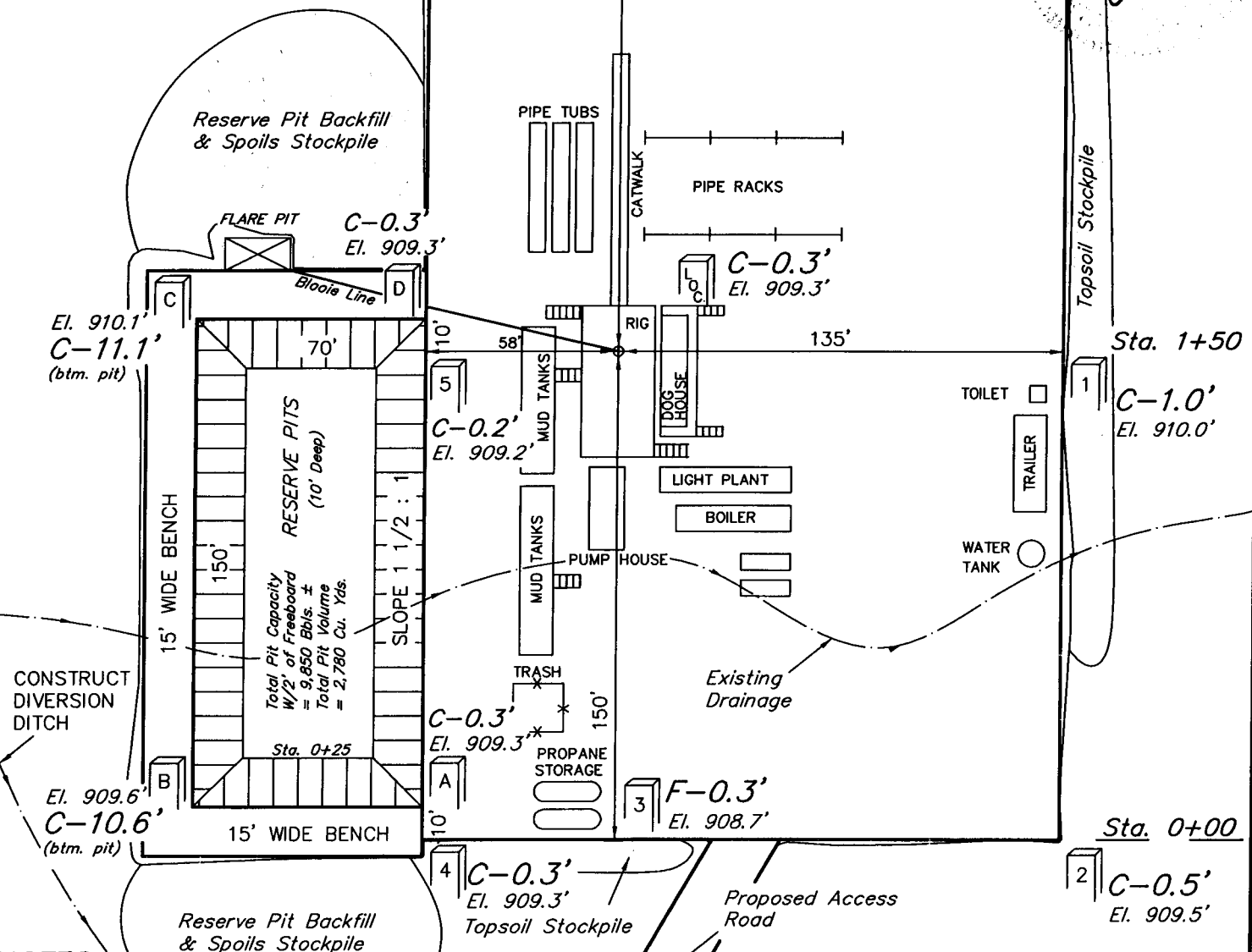
Sta. 3+50

Approx.  
Toe of  
Fill Slope

SCALE: 1" = 50'  
DATE: 03-20-06  
Drawn By: S.L.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4909.3'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4909.0'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

## TYPICAL CROSS SECTIONS FOR

STATE #921-32J

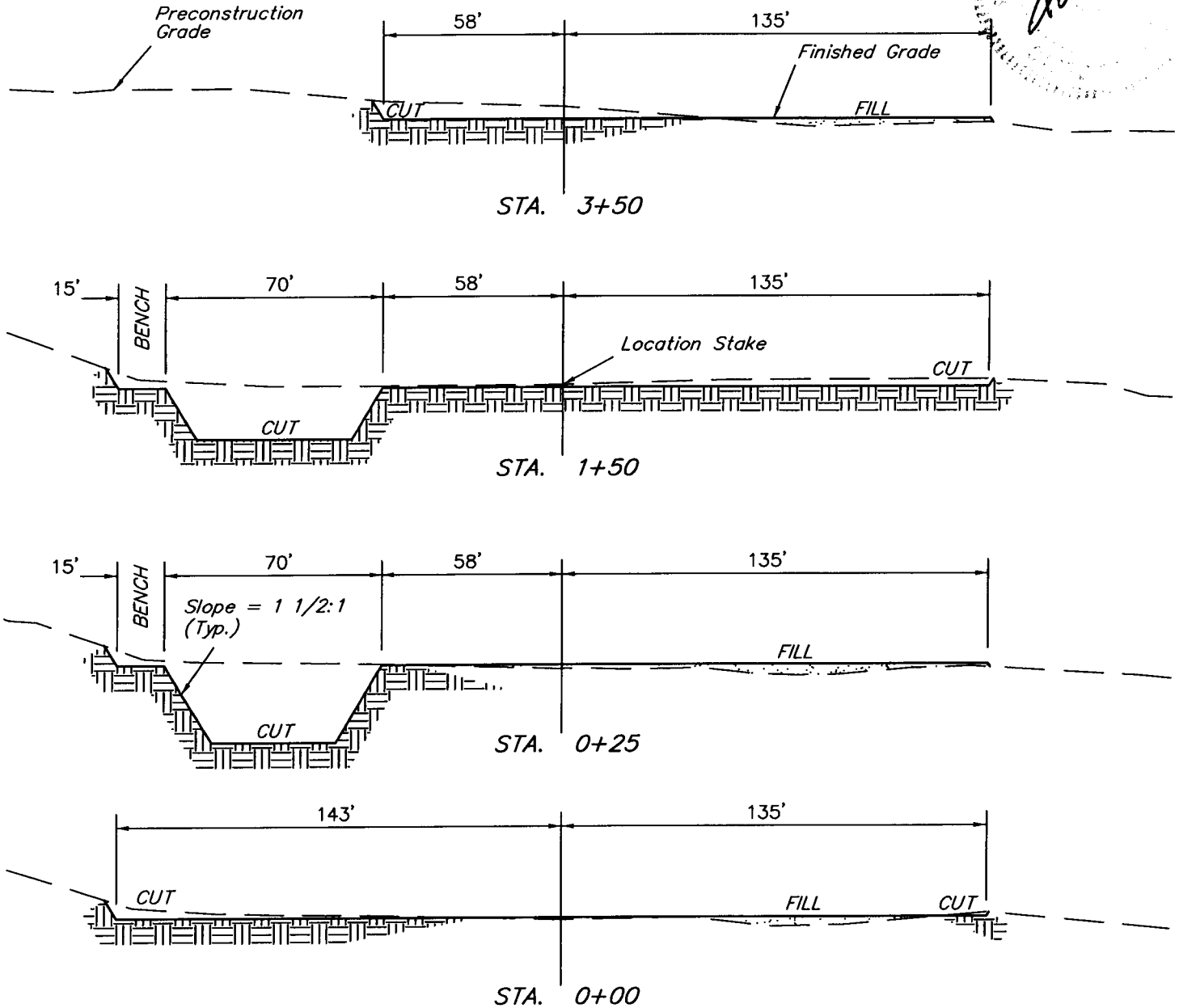
SECTION 32, T9S, R21E, S.L.B.&M.

2157' FSL 1750' FEL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 03-20-06

Drawn By: S.L.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,600 Cu. Yds.
Remaining Location	= 3,340 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 4,940 CU.YDS.</b>
<b>FILL</b>	<b>= 1,300 CU.YDS.</b>

EXCESS MATERIAL	= 3,640 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,990 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 650 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
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**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/15/2006

API NO. ASSIGNED: 43-047-38130

WELL NAME: STATE 921-32J

OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

**PROPOSED LOCATION:**

NWSE 32 090S 210E

SURFACE: 2157 FSL 1750 FEL

BOTTOM: 2157 FSL 1750 FEL

COUNTY: UINTAH

LATITUDE: 39.99030 LONGITUDE: -109.5714

UTM SURF EASTINGS: 621966 NORTHINGS: 4427448

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKG	6/29/06
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-48758

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

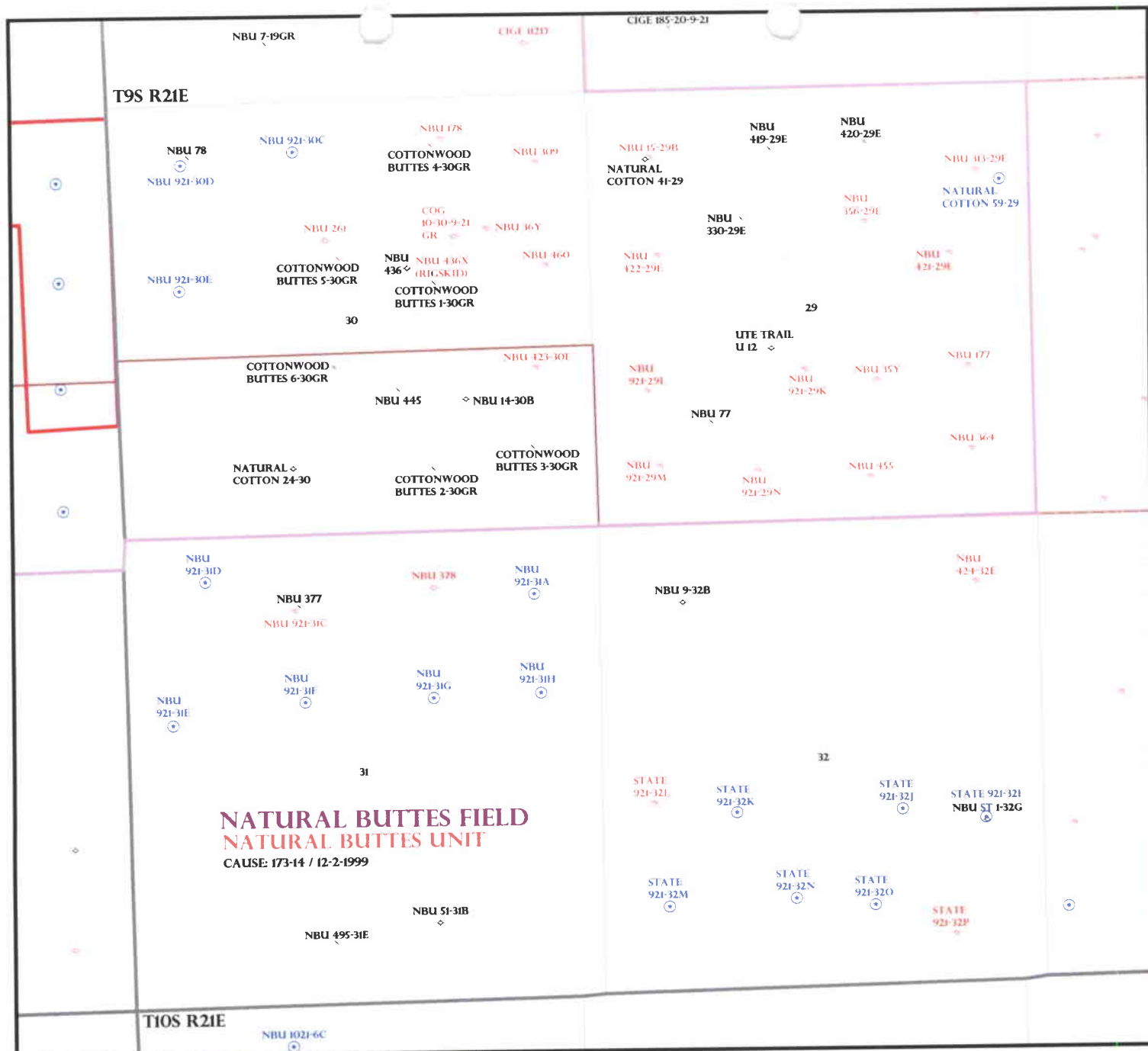
☒ Plat  
☒ Bond: Fed[] Ind[] Sta[] Fee[]  
(No. RLB0005236 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-8496 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

\_\_\_ R649-2-3.  
Unit: NATURAL BUTTES *time PA*  
\_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☒ R649-3-3. Exception  
\_\_\_ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
\_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Permit (05-31-06)

STIPULATIONS: 1- Spring Stop  
2- OIL SHALE  
3- STATEMENT OF BASIS  
4- Surface Csg Cont Stop



OPERATOR: KERR-MCGEE O&G (N2995)

SEC: 32 T. 9S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

#### Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

#### Unit Status

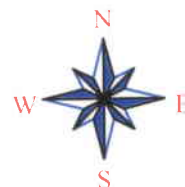
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
 DATE: 19-MAY-2006

**DIVISION OF OIL, GAS AND MINING  
APPLICATION FOR PERMIT TO DRILL  
STATEMENT OF BASIS**

OPERATOR: KERR McGEE OIL & GAS ONSHORE LP  
WELL NAME & NUMBER: STATE 921-32J  
API NUMBER: 43-047-38130  
LOCATION: 1/4, 1/4 NWSE Sec: 32 TWP: 9S RNG: 21E 2157' FSL 1750' FEL

**Geology/Ground Water:**

Kerr McGee proposes to set 2,240' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,000'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 35. The well is approximately .5 miles from the proposed location. It produces from a depth of 200 feet and is listed as being used for oil field drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed surface casing and cement should adequately protect ground water in this area.

Reviewer: Brad Hill Date: 06/07/06

**Surface:**

The pre-site investigation of the surface was performed on 05/31/2006. This site is on State surface, and appears to be the best site for a well in this qtr/qtr. Ed Bonner of SITLA was invited to attend this surface inspection but was not present. Ben Williams from DWR stated that this site is classified as critical yearlong pronghorn habitat, but made no requests and had no concerns with drilling on this location.

Reviewer: Richard Powell Date: 05/31/2006

**Conditions of Approval/Application for Permit to Drill:**

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** KERR MCGEE OIL & GAS ONSHORE LP  
**WELL NAME & NUMBER:** STATE 921-32J  
**API NUMBER:** 43-047-38130  
**LEASE:** ML-48758 **FIELD/UNIT:** NATURAL BUTTES  
**LOCATION:** 1/4,1/4 NWSE **Sec:** 32 **TWP:** 9S **RNG:** 21E 2157' **FSL** 1750' **FEL**  
**LEGAL WELL SITING:** 460 F **SEC. LINE;** 460 F **1/4,1/4 LINE;** 920 F **ANOTHER WELL.**  
**GPS COORD (UTM):** 0621953 4427477 **SURFACE OWNER:** SITLA.

**PARTICIPANTS**

Richard Powell (DOGM), Ben Williams (DWR), Carroll Estes, Clay Einerson and Tony Kazeck (WESTPORT), David Kay (UELS)

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

Area of location is quite flat with small hills with exposed rock ledges scattered throughout the area surrounding location. There is a small drainage through the location, which will be diverted to the south.

**SURFACE USE PLAN**

**CURRENT SURFACE USE:** Livestock and Wildlife Grazing.

**PROPOSED SURFACE DISTURBANCE:** Location as proposed will be 350' by 278'. Proposed new access road approximately 0.3 miles.

**LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS:** See attached map from GIS database.

**LOCATION OF PRODUCTION FACILITIES AND PIPELINES:** All production facilities will be on location and added after drilling well. Pipeline will follow access road.

**SOURCE OF CONSTRUCTION MATERIAL:** All construction material will be borrowed from site during construction of location.

**ANCILLARY FACILITIES:** None required.

**WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN):** Unlikely.

**WASTE MANAGEMENT PLAN:**

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Portable toilets, sewage holding tanks, and onsite sewage treatment equipment will be handled by commercial contractors and regulated by the appropriate health authority. Trash will be contained in trash baskets and disposed of at an approved landfill.

## **ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: The area of location contains sagebrush, greasewood, sparse grasses, salt brush, halogeton, rabbit brush and prickly pear. Wildlife found in this area may include: Rodents, Raptors, Coyote, Pronghorn, Prairie Dogs and Rabbits.

SOIL TYPE AND CHARACTERISTICS: Brown sandy clay soil.

EROSION/SEDIMENTATION/STABILITY: It does not appear that construction will affect erosion or the potential of sediment leaving the site.

PALEONTOLOGICAL POTENTIAL: Per Carroll Estes study has been done by IPC Paleontological consultants.

## **RESERVE PIT**

CHARACTERISTICS: 150' by 70' and ten feet deep. Reserve pit to be placed in cut.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Site ranking score is 25.

## **SURFACE RESTORATION/RECLAMATION PLAN**

As per SITLA

SURFACE AGREEMENT: As per SITLA

CULTURAL RESOURCES/ARCHAEOLOGY: Per Carroll Estes a study has been done by Montgomery Archaeology Consultants.

## **OTHER OBSERVATIONS/COMMENTS**

## **ATTACHMENTS**

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

RICHARD POWELL  
DOGM REPRESENTATIVE

05/31/2006 1:20 PM  
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

**Final Score**      25      (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

# 06-06 Kerr McGee State 92.1-32J

## Casing Schematic

Uenta

Surface

9-5/8"  
MW 8.4  
Frac 19.3

TOC @  
0.

TOC @  
0.

1481 Green River

1802  
Toe Tail

Surface  
2240. MD

✓ w/ 10% Washcoat  
+ surface stop

BHP

$$(0.052)(12.2)(9840) = 6242$$

Anticipate 6101

Gas

$$(1.2)(9840) = 1180$$

MAASP = 5062

4000 Brmsel

✓ w/ 18% Washcoat

4112  
Toe Tail

Fluid

$$(1.22)(9840) = 2164$$

MAASP = 4078

4752 Washcoat

BOPE - 5,000 ✓

Surf csg - 2270

70% = 1584

7738 Masoverch

Mat pressure @ Surf csg shoe = 4570

Test to 1589# (propose 1500) ✓

✓ Adequate and 6/29/06

4-1/2"  
MW 12.2

Production  
9840. MD

Well name:	<b>06-06 Kerr McGee State 921-32J</b>	
Operator:	<b>Kerr McGee Oil &amp; Gas</b>	Project ID:
String type:	Surface	43-047-38130
Location:	Uintah County	

#### Design parameters:

##### Collapse

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

#### Minimum design factors:

##### Collapse:

Design factor 1.125

##### Burst:

Design factor 1.00

#### Environment:

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 96 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 185 ft

Cement top: Surface

##### Burst

Max anticipated surface pressure: 1,239 psi  
Internal gradient: 0.447 psi/ft  
Calculated BHP 2,240 psi

No backup mud specified.

##### Tension:

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on air weight.  
Neutral point: 1,986 ft

Non-directional string.

#### Re subsequent strings:

Next setting depth: 9,840 ft  
Next mud weight: 12.200 ppg  
Next setting BHP: 6,236 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,240 ft  
Injection pressure 2,240 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
2	1800	9.625	32.30	H-40	ST&C	1800	1800	8.876	114.1
1	440	9.625	36.00	J-55	ST&C	2240	2240	8.796	31.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
2	785	1354	1.724	2043	2270	1.11	74	254	3.43 J
1	977	2020	2.067	2240	3520	1.57	16	394	24.87 J

Prepared Clinton Dworshak  
by: Utah Div. of Oil & Mining

Phone: 801-538-5280

Date: June 13, 2006  
Salt Lake City, Utah

#### ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 2240 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:	<b>06-06 Kerr McGee State 921-32J</b>		
Operator:	<b>Kerr McGee Oil &amp; Gas</b>		
String type:	Production	Project ID:	43-047-38130
Location:	Uintah County		

**Design parameters:**

**Collapse**

Mud weight: 12.200 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 203 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 368 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: 1,840 psi  
Internal gradient: 0.447 psi/ft  
Calculated BHP 6,236 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.  
Neutral point: 8,045 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9840	4.5	11.60	N-80	LT&C	9840	9840	3.875	228.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	6236	6350	1.018	6236	7780	1.25	114	223	1.95 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Phone: 801-538-5280

Date: June 13, 2006  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 9840 ft, a mud weight of 12.2 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

**From:** Ed Bonner  
**To:** Whitney, Diana  
**Date:** 5/24/2006 9:24:01 AM  
**Subject:** Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC

Buck Camp 12-22-33-2  
Rock House 11-23-24-2  
Rock House 11-23-33-2  
Rock House 11-23-34-2  
Rock House 11-23-41-2  
Rock House 11-23-31-2  
Rock House 11-23-43-2  
Rock House 11-23-21-2  
Rock House 11-23-44-2

EOG Resources, Inc  
Petes Wash 10-36

Gasco Production Company  
Uteland State 34-2-10-18  
Uteland State 14-2-10-18

Kerr McGee Oil & Gas Onshore LP

NBU 921-32I  
NBU 921-32J  
NBU 921-32K (1 significant site which must be avoided,  
operator must follow recommendation of arch consultant)

If you have any questions regarding this matter please give me a call.

**CC:** Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil



Kerr-McGee Oil & Gas OnShore LP  
1999 Broadway, Suite 3700, Denver, Colorado 80202  
303-296-3600 • Fax 303-296-3601

April 24, 2006

Ms. Diana Whitney  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-6100

RE: Exception Location  
State 921-32J  
T9S-R21E  
Section 32: NWSE  
2,157' FSL, 1,750 FEL  
Uintah County, Utah

Dear Ms. Whitney:

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to State Rule 649-3-2 (State Wide). The well location is at a legal location within the center quarter-quarter section, but is an exception location due to an irregular section. Kerr-McGee owns 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location.

Kerr-McGee requests your approval of this exception location. If you have any questions, call me at 303-607-3448. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Latimer'.

W. Chris Latimer, CPL  
Senior Landman

cc: Raleen Weddle

RECEIVED  
APR 28 2006

DIV. OF OIL, GAS & MINING



## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

June 29, 2006

Kerr-McGee Oil & Gas Onshore LP  
1368 S 1200 E  
Vernal, UT 84078

Re: State 921-32J Well, 2157' FSL, 1750' FEL, NW SE, Sec. 32, T. 9 South,  
R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Administrative approval for an exception location is hereby granted on the condition that if the well is productive from the horizontal wellbore, the operator agrees to come before the Board of Oil, Gas and Mining seeking appropriate spacing.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38130.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA  
Bureau of Land Management, Vernal District Office

**Operator:** Kerr-McGee Oil & Gas Onshore LP  
**Well Name & Number** State 921-32J  
**API Number:** 43-047-38130  
**Lease:** ML-48758

**Location:** NW SE      **Sec.** 32      **T.** 9 South      **R.** 21 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

**2. Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.**

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Surface casing shall be cemented to the surface.
8. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48758
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157' FSL, 1750' FEL		8. WELL NAME and NUMBER: STATE 921-32J
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 21E		9. API NUMBER: 4304738130
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

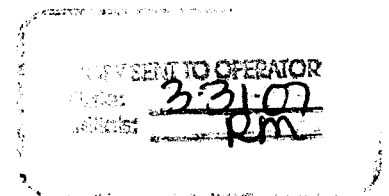
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON JUNE 29, 2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 05-30-07  
By: [Signature]



**RECEIVED**  
**MAY 29 2007**  
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>RAMEY HOOPES</u>	TITLE <u>REGULATORY CLERK</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/22/2007</u>

(This space for State use only)

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738130  
**Well Name:** STATE 921-32J  
**Location:** NWSE, SEC 32-T9S-R21E  
**Company Permit Issued to:** KERR-MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** 6/29/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Ramey Hooper  
Signature

5/22/2007  
Date

Title: REGULATORY CLERK

Representing: KERR-MCGEE OIL AND GAS ONSHORE L

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48758
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: PO Box 173779 CITY Denver STATE CO ZIP 80217-3779		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157 FSL & 1750 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 21E		8. WELL NAME and NUMBER: State 921-32J 9. API NUMBER: 4304738130 10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
		COUNTY: Uintah STATE: UTAH

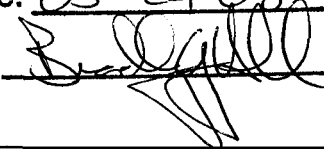
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

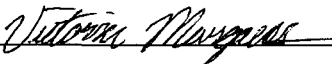
Kerr-McGee Oil and Gas Onshore, LP, respectfully requests a one year extension for State 921-32J, in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 06/29/2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 05-27-08  
By: 

COPY SENT TO OPERATOR

Date: 5.28.2008  
Initials: KS

NAME (PLEASE PRINT) Victoria Marques	TITLE Regulatory Intern
SIGNATURE 	DATE 5/15/2008

(This space for State use only)

RECEIVED  
MAY 23 2008  
RECEIVED  
MAY 19 2008  
DIV. OF OIL, GAS & MINING  
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738130  
**Well Name:** State 921-32J  
**Location:** NWSE 2157' FSL 1750' FEL Sec. 32 T 9S R 21E  
**Company Permit Issued to:** Kerr-McGee Oil & Gas Onshore, LP  
**Date Original Permit Issued:** 6/29/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Victor M. Margulies  
Signature

5/22/2008  
Date

Title: Regulatory Intern

Representing: Kerr-McGee Oil & Gas Onshore, LP

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## DIVISION OF OIL, GAS AND MINING

### ***SPUDDING INFORMATION***

Name of Company: Kerr-McGee Oil & Gas Onshore, LP

Well Name: NBU 921-32J

API No: 43-047-38130 Lease Type: State

Section 32 Township 09S Range 21E County Uintah

Drilling Contractor Pete Martin Rig # Rathole

### **SPUDDED:**

Date 7-03-08

Time 01:30 PM

How Dry

***Drilling will Commence:*** \_\_\_\_\_

Reported by Lew Weldon

Telephone # 435-828-7035

Date 7-07-08 Signed RM

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP  
Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078

Operator Account Number: N 2995

Phone Number: (435) 781-7024

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738130	STATE 921-32J	NWSE	32	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
<u>A</u>	99999	<u>16953</u>	7/2/2008	<u>7/14/08</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W5MVD</u> SPUD WELL LOCATION ON 07/02/2008 AT 1330 HRS. <u>uncommitted</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304739240	NBU 921-9K	NESW	9	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	7/2/2008	<u>7/14/08</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W5MVD</u> SPUD WELL LOCATION ON 07/02/2008 AT 0800 HRS. <u>      </u>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304737898	NBU 920-22A	NENE	22	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	6/27/2008	<u>7/14/08</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>W5MVD</u> SPUD WELL LOCATION ON 06/27/2008 AT 0930 HRS. <u>      </u>						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

7/8/2008

Title

Date

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FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48758
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157'FSL, 1750'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S, 21E		8. WELL NAME and NUMBER: STATE 921-32J
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304738130
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

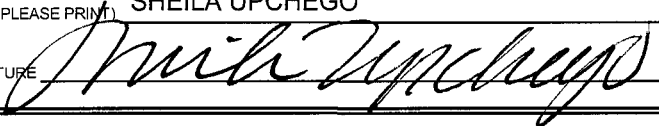
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 07/03/2008 AT 1330 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 7/8/2008

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FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2157'FSL, 1750'FEL		8. WELL NAME and NUMBER: STATE 921-32J
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S, 21E		9. API NUMBER: 4304738130
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

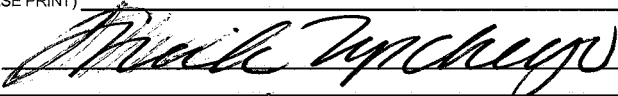
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG.
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 07/18/2008. DRILLED 8 3/4" SURFACE HOLE TO 2550'. RAN 7" 23# J-55 SURFACE CSG. LEAD CMT W/110 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB GEL RETURNS TO PIT NO LEAD CMT 410 PSI LIFT. TOP OUT W/35 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

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NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 7/23/2008

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

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PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304738130
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2550' TO 7800' ON 09/05/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/135 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/400 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/115 BBLS CLAY FIX W/MAGNACIDE. FINAL CIRC OF 2100 PSI FLOATS HELD 25 BBLS BACK TO PIT. NIPPLE DOWN BOP CUT CSG. CLEAN PITS.

RELEASED PIONEER RIG 38 ON 09/06/2008 AT 0900 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 9/8/2008

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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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PHONE NUMBER: (435) 781-7024		8. WELL NAME and NUMBER: STATE 921-32J
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QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 21E		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UTAH		
STATE: UTAH		

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TYPE OF SUBMISSION	TYPE OF ACTION		
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	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>PRODUCTION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>START-UP</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/10/2008 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE <u><i>Sheila Upchego</i></u>	DATE <u>10/14/2008</u>

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DIV. OF OIL, GAS & MINING

Wins No.: 92793

STATE 921-32J

## Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 07/03/2008	GL 4,909	KB 4925	ROUTE
API 4304738130	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.99051 / -109.57227		Q-Q/Sect/Town/Range: NWSE / 32 / 9S / 21E		Footages: 2,157.00' FSL 1,750.00' FEL	

## Wellbore: STATE 921-32J

MTD 7,800	TVD 7,789	PBMD 7,364	PBTVD
--------------	--------------	---------------	-------

EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 7/3/2008	AFE NO.: 2020452
	OBJECTIVE: DEVELOPMENT	END DATE: 9/6/2008	
	OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 7/3/2008	
	REASON: DRILL PROD HOLE	Event End Status:	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	08/22/2008	08/22/2008	08/22/2008	08/24/2008	09/01/2008	09/06/2008	09/07/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
7/3/2008	SUPERVISOR: LEW WELDON						
	13:30 - 21:00	7.50	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1330 HR 7/3/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTFIED OF SPUD
7/18/2008	SUPERVISOR: LEW WELDON						
	22:30 - 0:00	1.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 2230 HR 7/18/08 DA AT REPORT TIME 120'
7/19/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 480'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1080'
7/20/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1500'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1830'
7/21/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 2160'
	12:00 - 22:00	10.00	DRLSUR	02		P	RIG T/D @ 2550' CONDITION HOLE 1 HR RUN SURVEY 1.8 DEGREES @ T/D
	22:00 - 0:00	2.00	DRLSUR	05		P	TRIP DP OUT OF HOLE @ REPORT TIME
7/22/2008	SUPERVISOR: LEW WELDON						

0:00 - 3:00	3.00	DRLSUR	05	P	TRIP DP OUT OF HOLE
3:00 - 6:00	3.00	DRLSUR	11	P	RUN 2504' OF 7" CSG RIG DOWN AIR RIG
6:00 - 7:00	1.00	DRLSUR	15	P	CEMENT 1ST STAGE WITH 110 SKS LEAD @ 11# 3.82 23 GAL SK AND 100 SKS TAIL @ 15.8# 1.15 5.0 GAL SK GOOD RETURNS THRUOUT JOB GEL RETURNS TO PIT NO LEAD CMT 410 PSI LIFT
7:00 - 7:30	0.50	DRLSUR	15	P	1ST TOP JOB 35 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
7:30 - 7:30	0.00	DRLSUR			NO VISIBLE LEAKS PIT 1/4 FULL WORT

8/22/2008

SUPERVISOR: KENNY MORRIS

0:00 - 7:00	7.00	MIRU	01	E	P	RDRT F/MOVE
7:00 - 17:00	10.00	MIRU	01	A	P	10 MILE MOVE W/13 TRUCKS,2 FORKLIFTS
17:00 - 0:00	7.00	MIRU	01	B	P	RURT

8/23/2008

SUPERVISOR: KENNY MORRIS

0:00 - 16:00	16.00	MIRU	01	B	P	RURT
16:00 - 18:00	2.00	PRSPD	06	D	P	CUT & SLIP DRLG LINE TO P/U BHA
18:00 - 22:00	4.00	PRSPD	13	A	P	CHANGE RAMS & LINERS,NUBOP
22:00 - 0:00	2.00	PRSPD	13	C	P	TEST CHOKE,RAMS 5K,ANN 2.5K,CASING 1.5K

8/24/2008

SUPERVISOR: KENNY MORRIS

0:00 - 9:30	9.50	PRSPD	13	C	P	FINISH BOP TEST
9:30 - 15:00	5.50	PRSPD	05	A	P	P/U BHA,INSTALL RUBBER & DRIVE BUSHING
15:00 - 17:00	2.00	PRSPD	02	F	P	DRILL FE & CEMENT F/2385 TO 2549
17:00 - 17:30	0.50	DRLPRO	02	B	P	DRILL NEW 6.25 HOLE F/2549 TO 2635 WT 9/29
17:30 - 18:00	0.50	DRLPRO	09	A	P	SURVEY@2567=1.75
18:00 - 0:00	6.00	DRLPRO	02	B	P	DRILL F/2635 TO 3047

18:00 - 0:00 6.00 DRLPRO 02 B P DRILL F/2635 TO 3047

8/25/2008

SUPERVISOR: KENNY MORRIS

0:00 - 0:30 0.50 DRLPRO 02 B P DRILL F/3040 TO 3110, AVG 140 WT 9/32

0:30 - 1:00 0.50 DRLPRO 09 A P SURVEY@3040 =5

1:00 - 5:00 4.00 DRLPRO 02 B P DRILL F/3110 TO 3300, AVG 48 WT 9.1/32

5:00 - 5:30 0.50 DRLPRO 09 A P SURVEY3230'=7

5:30 - 10:30 5.00 DRLPRO 05 A S PUMPPILL, POOH, CHANGE BIT, TIH W/DROP BIT

10:30 - 11:30 1.00 DRLPRO 07 B S CLEAN OUT PUMP SUCTIONS

11:30 - 12:00 0.50 DRLPRO 03 D P REAM 30 ' TO BTM, 5' FILL, W/5' FLARE 2100 UNITS

12:00 - 15:30 3.50 DRLPRO 02 B P DRILL F/3300 TO 3520, AVG 63 WT 9.1/34

15:30 - 16:00 0.50 DRLPRO 09 A P SURVEY@3450=4.75

16:00 - 16:30 0.50 DRLPRO 06 A P RIG SERVICE

16:30 - 0:00 7.50 DRLPRO 02 B P DRILL F/3520 TO 3867, AVG 46 WT 9.3/38

8/26/2008

SUPERVISOR: KENNY MORRIS

0:00 - 2:30 2.50 DRLPRO 02 B P DRILL F/3867 TO 3961, AVG 38 WT 9.3/38

2:30 - 3:00 0.50 DRLPRO 09 A P SURVEY@3891=2

3:00 - 15:00 12.00 DRLPRO 02 B P DRILL F/3961 TO 4476, AVG 43 WT 9.3/38

15:00 - 15:30 0.50 DRLPRO 06 A P RIG SERVICE

15:30 - 0:00 8.50 DRLPRO 02 B P DRILL F/4476 TO 4752, AVG 32 9.3/38

8/27/2008

SUPERVISOR: KENNY MORRIS

0:00 - 8:30 8.50 DRLPRO 02 B P DRILL F4752 TO 4941, AVG 23 WT 9.4 42

8:30 - 9:00 0.50 DRLPRO 09 A P SURVEY@4870=1.5

Wins No.: 92793

STATE 921-32J

API No.: 4304738130

8:30 - 9:00	0.50	DRLPRO	09	A	P	SURVEY@4870=1.5
9:00 - 9:30	0.50	DRLPRO	06	A	P	RIG SERVICE
9:30 - 21:00	11.50	DRLPRO	02	B	P	DRILL F/4941 TO 5226,AVG 25 WT 9.4/41
21:00 - 0:00	3.00	DRLPRO	05	A	P	PUMPPILL,POOH

8/28/2008

SUPERVISOR: KENNY MORRIS

0:00 - 0:30	0.50	DRLPRO	05	A	P	POOH CHANGE BIT & MTR
0:30 - 4:00	3.50	DRLPRO	05	A	P	TIH W/BIT #3
4:00 - 14:00	10.00	DRLPRO	02	B	P	DRILL F/5226 TO 5543,AVG 32 WT 9.7.42
14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE
14:30 - 0:00	9.50	DRLPRO	02	B	P	DRILL F/5543 TO 5856,AVG 33 WT 9.8/42

8/29/2008

SUPERVISOR: KENNY MORRIS

0:00 - 1:30	1.50	DRLPRO	02	B	P	DRILL F/5856 TO 5919,AVG42 WT 9.8/42
1:30 - 2:00	0.50	DRLPRO	09	A	P	SURVEY@5850=5
2:00 - 8:30	6.50	DRLPRO	02	B	P	DRILL F/5919 TO 6142,AVG 34 WT9.8/42
8:30 - 9:00	0.50	DRLPRO	09	A	P	SURVEY@6072=5.25
9:00 - 9:30	0.50	DRLPRO	06	A	P	RIG SERVICE
9:30 - 18:00	8.50	DRLPRO	02	B	P	DRILL F/6142 TO 6393, AVG 29 WT 9.9/42
18:00 - 18:30	0.50	DRLPRO	09	A	P	SURVEY@6323=6.5
18:30 - 23:00	4.50	DRLPRO	05	A	P	PUMPPILL POOH,CHANGE BIT
23:00 - 0:00	1.00	DRLPRO	05	A	P	TIH W/DROP BIT

8/30/2008

SUPERVISOR: KENNY MORRIS

0:00 - 3:30	3.50	DRLPRO	05	A	P	TIH W/BIT #4
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10/13/2008

9:14:41AM

Wins No.: 92793

STATE 921-32J

API No.: 4304738130

0:00 - 3:30	3.50	DRLPRO	05	A	P	TIH W/BIT #4
3:30 - 4:00	0.50	DRLPRO	03	D	P	REAM 70' TO BOTTOM
4:00 - 17:30	13.50	DRLPRO	02	B	P	DRILL F/6393 TO 6740,AVG 26 WT 10.0/46
17:30 - 18:00	0.50	DRLPRO	06	A	P	RIG SERVICE
18:00 - 0:00	6.00	DRLPRO	02	B	P	DRILL F/6740 TO

8/31/2008

SUPERVISOR: KENNY MORRIS

0:00 - 9:30	9.50	DRLPRO	02	B	P	DRILL F6910 TO 7151,AVG 25 WT 10/46
9:30 - 14:00	4.50	DRLPRO	05	A	P	PUMPPILL,DROP SURVEY,POOH
14:00 - 18:30	4.50	DRLPRO	05	A	P	CHANGE BIT ,TIH
18:30 - 19:00	0.50	DRLPRO	03	D	P	REAM 60' TO BOTTOM
19:00 - 0:00	5.00	DRLPRO	02	B	P	DRILL F/7151 TO 7350 ,AVG 25 WT 10.1/44

9/1/2008

SUPERVISOR: KENNY MORRIS

0:00 - 17:30	17.50	DRLPRO	02	B	P	DRILL F/7350 TO 7752,,AVG 23 WT 10.2/48
17:30 - 18:00	0.50	DRLPRO	06	A	P	RIG SERVICE
18:00 - 18:30	0.50	DRLPRO	02	B	P	DRILL F/7752 TO TD 7800,AVG 48 WT 10.2 48
18:30 - 19:30	1.00	DRLPRO	04	C	P	CIRC F/ SHORTTRIP
19:30 - 22:00	2.50	DRLPRO	05	E	P	SHORTTRIP BACK TO 6475,REAM BRIDGES @7370 &7550
22:00 - 23:30	1.50	DRLPRO	04	B	S	CIRC,4280 UNITS BTMS UP,RAISE WT 10.4
23:30 - 0:00	0.50	DRLPRO	05	B	P	DROP SURVEY PUMPPILL,POOH F/LOGS

9/2/2008

SUPERVISOR: KENNY MORRIS

0:00 - 4:30	4.50	DRLPRO	05	B	P	POOH,F/LOGS
4:30 - 16:00	11.50	DRLPRO	08	A	P	R/U RUN TRIPLE COMBO LOGS W/SCHLUMBERGER(LOGGERS DEPTH 7775)

4:30 - 16:00	11.50	DRLPRO	08	A	P	R/U RUN TRIPLE COMBO LOGS W/SCHLUMBERGER(LOGGERS DEPTH 7775)
16:00 - 20:30	4.50	DRLPRO	05	E	P	TIH F/WIPER TRIP,REAM 70'
20:30 - 23:30	3.00	DRLPRO	04	A	P	CIRC & COND,RAISE WT TO 10.7,42,8' FLARE,LOTS OF SAND ON SHAKER
23:30 - 0:00	0.50	DRLPRO	05	B	P	POOH ,WORK TIGHT HOLE UP 7427',KELLY UP

9/3/2008

SUPERVISOR: KENNY MORRIS

0:00 - 1:00	1.00	EVALPR	05	E	P	WORK TIGHT HOLE,POOH TO 7450'
1:00 - 2:30	1.50	EVALPR	04	A	S	KELLY UP,CIRC & CLEAN HOLE WT10.8/42
2:30 - 16:00	13.50	EVALPR	10	C	P	RETRIEVE 35 CORES ABOVE,BRIDGE @5410'
2:30	0.00		05	B		POOH ,TIGHT SPOTS UP TO 6100
16:00	13.50		10	C		RETRIEVE 35 CORES ABOVE,BRIDGE @5410'
2:30	0.00		05	B		POOH ,TIGHT SPOTS UP TO 6100
16:00	13.50		10	C		RETRIEVE 35 CORES ABOVE,BRIDGE @5410'
2:30	0.00		05	B		POOH ,TIGHT SPOTS UP TO 6100
16:00 - 16:30	0.50	EVALPR	06	A	P	RIG SERVICE
16:30 - 19:00	2.50	EVALPR	05	B	P	WIPER TRIP F/CORES
19:00 - 19:30	0.50	EVALPR	03	A	P	REAM TIGHT HOLE F /5420 TPO 5490
19:30 - 23:00	3.50	EVALPR	05	B	P	TIH,CIRC ,REAM ,VARIOUS DEPTHS
23:00 - 0:00	1.00	EVALPR	03	A	X	REAM 7430 TO

9/4/2008

SUPERVISOR: KENNY MORRIS

0:00 - 10:00	10.00	EVALPR	03	A	X	REAM TIGHT HOLE TO 7408,WILL NOT REAM PAST
10:00 - 14:00	4.00	EVALPR	05	B	P	POOH F/#2 CORE RUN
14:00 - 21:30	7.50	EVALPR	08	H	P	SIDE WALL CORES,62 TOTAL RECOVERY ON 2 RUNS
21:30 - 0:00	2.50	DRLPRO	05	F	P	L/D 10 SINGLES F/REAM,TIH

9/5/2008

SUPERVISOR: KENNY MORRIS

0:00 - 2:00	2.00	DRLPRO	05	F	X	TIH TO 7336,KELLY UP & CIRC
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<b>Wins No.:</b> 92793		<b>STATE</b> 921-32J				<b>API No.:</b> 4304738130	
<div style="display: flex; justify-content: space-between;"> <div>2:00 - 8:30    6.50    DRLPRO    03    A    X    WASH &amp; REAM 7336 TO 7668',CONDITIONS GETTING WORSE</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>8:30 - 9:30    1.00    DRLPRO    05    F    X    PUMP OUT OF HOLE,BACK TO 7331</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>9:30 - 11:00    1.50    DRLPRO    04    C    S    CIRC &amp; REAM BETWEEN 7331 &amp; 7370,BUILD &amp; PUMP PILL</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>11:00 - 18:00    7.00    DRLPRO    05    D    P    SAFETY MEET W/TESCO,PUMPPILL LDDP</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>18:00 - 0:00    6.00    CSG    11    B    P    SAFETY MEET W/TESCO,RUN 176 JTS CSG</div> </div>							
<div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>9/6/2008    <u>SUPERVISOR:</u> KENNY MORRIS</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>0:00 - 0:30    0.50    CSG    11    B    P    RUN 176 JT CSG TO 7399'</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>0:30 - 2:00    1.50    CSG    04    E    P    CIRC F/CEMENT</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>2:00 - 4:00    2.00    CSG    15    A    P    CEMENT W/BJSERVICES,FINAL CIRC PSI2100,FLOATS HELD,25 BBLs BACK TO PIT</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>4:00 - 6:00    2.00    RDMO    13    A    P    NDBOP,CUT CSG</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>6:00 - 9:00    3.00    RDMO    01    E    P    CLEAN PITS,RELEASE RIG@0900 9/6/08</div> </div>							
<b>EVENT INFORMATION:</b>		EVENT ACTIVITY: COMPLETION		START DATE: 9/15/2008		AFE NO.: 2020452	
		OBJECTIVE: CONSTRUCTION		END DATE: 9/15/2008			
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: 7/3/2008			
		REASON: Surface Fac		Event End Status: COMPLETE			
<b>RIG OPERATIONS:</b> Begin Mobilization    Rig On Location    Rig Charges    Rig Operation Start    Finish Drilling    Rig Release    Rig Off Location							
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
9/15/2008	<u>SUPERVISOR:</u> Hal Blanchard						

<b>EVENT INFORMATION:</b>		EVENT ACTIVITY: COMPLETION		START DATE: 10/2/2008		AFE NO.: 2020452	
		OBJECTIVE: DEVELOPMENT		END DATE: 10/7/2008			
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: 7/3/2008			
		REASON: WAS		Event End Status: COMPLETE			
<b>RIG OPERATIONS:</b>		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release
LEED 733 / 733		10/02/2008					10/07/2008
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
10/2/2008	<u>SUPERVISOR:</u> CLAUD SIMS						
	7:00 - 7:30	0.50	COMP	48		P	JSA-SAFETY MEETING #1, DAY 1
	7:30 - 12:00	4.50	COMP	30	A	P	ROAD RIG FROM STATE 1021-28M TO LOC. R/U SERVICE UNIT, N/D WH, N/U BOPS, R/U FLOOR & TBG EQUIP.
	12:00 - 19:00	7.00	COMP	31	I	P	P/U 3-7/8" MILL TIH W/ 2-3/8" TBG, TALLY IN HOLE, TAG UP @ 7375', PULLED 5 STANDS 2-3/8" TBG, SHUT WELL IN SDFN
10/3/2008	<u>SUPERVISOR:</u> CLAUD SIMS						
	7:00 - 7:30	0.50	COMP	48		P	JSA-SAFETY MEETING #2, DAY 2
	7:30 - 9:30	2.00	COMP	31	H	P	TIH TAG @ 7375' CIRC WELL CLEAN W/ 2% KCL WTR.
	9:30 - 15:00	5.50	COMP	31	I	P	TOOH W/ 2-3/8" TBG STANDING IN DERRICK, TALLY OUT OF HOLE, N/D BOPS, N/U FRAC VALVE, PRESSURE TEST CSG AND FRAC VALVE TO 7000#,OK, BLOWED WELL DN , SHUT WELL IN, SDFWE, READY FOR FRAC ON MONDAY.
10/6/2008	<u>SUPERVISOR:</u> CLAUD SIMS						
	6:00 - 6:30	0.50	COMP	48		P	JSA-SAFETY MEETING #3, DAY 3
	6:30 - 8:30	2.00	COMP	37	B	P	( STG #1 ) R/U CASEDHOLE SOLUTIONS WIRELINE, RIH W/ PERF GUNS AND PERF THE WASATCH @ 7332-7340', 4-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE 90° PHS, 40 HOLES.

8:30 - 19:00 10.50 COMP 36 D P

JSA-SAFETY MEETING W/ SCHLUMBERGER FRAC CREW, R/U SCHLUMBERGER, HAD H2S READING IN PCM OF 6 PPM, ON FRAC TK READING 0 PPM.  
 ( STG #1 ) PRESSURE TEST SURFACE LINES TO 8,000#, BRK DN PERF 5494# @ 5 B/M, INJ-P = 5500#, INJ-RT = 50.2 B/M, ISIP = 2330#, F.G. = 0.75, PMPED 3 BBLS 15% HCL AHEAD OF INJ., CALC 70 % PERF OPEN, PMPED 1398 BBL SLK WTR & 48637# SAND, ISIP = 2700#, F.G. = 0.80, NPI = 370, MP = 6953#, MR = 50.4 B/M, AP = 4856 #, AR = 48.5 B/M, 43637# OTTAWA 30/50 SAND, 5000# TLC SAND, 149 GALS J583 CLAYTREAT, 42 GALS FRW-B145, 137 GALS NALCO SCALE INHIB, 31 GALS NALCO BIOCID.

( STG #2 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 6836', PERF THE WASATCH @ 6802 - 06', 6738 - 44', 4-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE, 90° PHS, 40 HOLES, WHP = 700 #  
 BRK DN PERF @ 5456#, @ 5 B/M, INJ-P = 4070#, INJ-RT = 40 B/M, ISIP = 2580#, F.G. = 0.81, CALC ALL PERF OPEN, PMPED 1884 BBL SLK WTR & 73499# SAND, ISIP = 2590#, F.G. = 0.81, NPI = 10, MP = 5456#, MR = 42 B/M, AP = 3824#, AR = 39.2 B/M, 68499# 30/50 OTTAWA SAND, 5000# 20/40 TLC SAND, 191 GALS J583 CLAYTREAT, 46 GALS FRW-B145, 131 GALS NALCO SCALE INHIB, 40 GALS NALCO BIOCID.

( STG #3 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 6550', PERF THE WASATCH @ 6490 - 96', 6444 - 48', 4-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE, 90° PHS, 40 HOLES, WHP = 1600 #.  
 BRK DN PERF @ 3611# @ 5 B/M, INJ-P = 4083#, INJ-RT = 41 B/M, ISIP = 2460#, F.G. = 0.81, CALC ALL PERF OPEN, PMPED 676.9 BBLS SLK WTR, & 23700# SAND, ISIP = 2520#, F.G. = 0.82, NPI = 60, MP = 4769#, MR = 41.8 B/M, AP = 3696#, AR = 40 B/M, 18700# 30/50 OTTAWA SAND, 5000# 20/40 TLC SAND, 66 GALS J583 CLAYTREAT, 13 GALS FRW-B145, 66 GALS NALCO SCALE INHIB, 15 GALS NALCO BIOCID,

( STG #4 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 5624', PERF THE WASATCH @ 5588 - 94', 5570 - 74', 4-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE, 40 HOLES, WHP = 240 #,  
 BRK DN PERF @ 1775 # @ 5 B/M, INJ-P = 3980 #, INJ-RT = 50 B/M, ISIP = 1000 #,  
 F.G. = 0.61, CALC 80% PERF OPEN,  
 PMPED 2230 BBLS SLK WTR,  
 90037# SAND, ISIP = 2300 #, F.G. = 0.84 ,  
 NPI = 1300 , MP = 4085 #, MR = 50.2 B/M,  
 AP = 3684 #, AR = 47.8 B/M, 85037# 30/50 OTTAWA SAND, 5000# 20/40 TLC SAND,  
 222 GAL J583 CLAYTREAT, 50 GALS FRW-B145, 144 GALS NALCO SCALE INHIB, 48 GALS NALCO BIOCID.

( STG #5 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 5246', PERF THE WASATCH @ 5207- 16', 4-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE 90° PHS, 36 HOLES, WHP = 240 #.  
 BRK DN PERF @ 2151# @ 5 B/M,  
 INJ-P = 3980 #, INJ-RT = 51B/M,  
 ISIP = 1400 #, F.G. = 0.70, CALC 93% PERF OPEN, PMPED 641BBLS SLK WTR & 24350# SAND, ISIP = 2200#, F.G. = 0.85, NPI = 800, MP = 4383#, MR = 52 B/M, AP = 3528 #, AR = 48.8 B/M, 19350 # 30/50 OTAWA SAND, 5000# 20/40 TLC SAND,  
 49 GALS J583 CLAYTREAT, 15 GALS FRW-B145, 15 GALS NALCO SCALE INHIB, 15GALS NALCO BIOCID.

( KILL PLUG ) RIH W/ BAKER 8K CBP, SET CBP @ 5157', POOH R/D CASEDHOLE WIRELINE AND SCHLUMBERGER FRAC.  
 TOTAL FLUID = 6829 BBLS SLK WTR  
 TOTAL SAND = 260223#  
 TOTAL J583 CLAYTREAT = 677 GALS  
 TOTAL FRW-B145 = 166 GALS  
 TOTAL NALCO BIOCID = 149 GALS  
 TOTAL NALCO SCALE INHIB = 493 GALS

## BLEEDWELL DN, SHUT WELL IN SDFN.

10/7/2008

SUPERVISOR: CLAUD SIMS

7:00 - 7:30 0.50

COMP 48

P

JSA-SAFETY MEETING #4 DAY4

7:30 - 10:30 3.00

COMP 31

I

P

NO PRESSURE ON WELL, N/D FRAC VALVE, N/U BOPS, R/U TBG EQUIP &amp; FLOOR, P/U 3-7/8" BIT, POBS AND XN-NIPPLE, TIH W/ 2-3/8" TBG, TAG @ 5157'.

10:30 - 10:30 0.00

COMP 44

C

P

R/U POWER SWIVEL. TAG CBP @ 5157' ESTB CIRC DN TBG OUT CSG.

( DRLG CBP #1 ) 5157', DRILL OUT BAKER 8K CBP IN 4 MIN, 50# DIFF, RIH TAG @ 5220', C/O 26' SAND, FCP = 50#

( DRLG CBP #2 ) 5246', DRILL OUT BAKER 8K CBP IN 6 MIN, 150# DIFF, RIH TAG @ 5604', C/O 20' SAND, FCP = 150#.

( DRLG CBP #3 ) 5624', DRILL OUT BAKER 8K CBP IN 7 MIN, 50# DIFF, RIH TAG @ 6550', C/O 0' SAND, FCP = 150#.

( DRLG CBP #4 ) 6550', DRILL OUT BAKER 8K CBP IN 4 MIN, 150# DIFF, RIH TAG @ 6806', C/O 30' SAND, FCP = 200#.

( DRLG CBP #5 ) 6836', DRILL OUT BAKER 8K CBP IN 4 MIN, 100# DIFF, RIH TAG @ 7364', C/O 0' SAND TO PBTD @ 7364', FCP = 250#.

CIRC WELL CLEAN, R/D POWER SWIVEL. POOH LAY DN 22 JTS 2-3/8" J-55 TBG ON TRAILER, LAND TBG ON HANGER W/ 213 JTS 2-3/8" J-55 TBG, EOT @ 6699.34'.

R/D FLOOR &amp; TBG EQUIPT, N/D BOPS, N/U WH, DROP BALL DN TBG, PUMP OFF THE BIT @ 2400#. WAIT 30 MIN FOR BIT TO FALL TO BTM, OPEN WELL UP ON 24/64 CHOKE TO PIT, FTP = 675 #, SICP = 1670#, TURN WELL OVER TO FBC @ 6:00 P.M. W/ 4662 BBLS WTR LTR,

AVG 5 MIN / PLUG, C/O 76' SAND

KB = 16.00'

HANGER = .83'

213 JTS 2-3/8" J-55 TBG = 6680.31'

XN- NIPPLE W/ POBS = 2.20'

EOT = 6699.34'

256 JTS 2-3/8" J-55 TBG DELV.

213 JTS 2-3/8" J-55 TBG LANDED

43 JTS 2-3/8" J-55 TBG RETURNED

10/8/2008

SUPERVISOR: -

7:00 -

33

A

7 AM FLBK REPORT: CP 900#, TP 700#, 20/64" CK, 28 BWPH, - SAND, - GAS  
TTL BBLS RECOVERED: 4771  
BBLS LEFT TO RECOVER: 4239

10/9/2008

SUPERVISOR: TIM

7:00 -

33

A

7 AM FLBK REPORT: CP 1450#, TP 650#, 20/64" CK, 24 BWPH, LIGHT SAND, - GAS  
TTL BBLS RECOVERED: 5422  
BBLS LEFT TO RECOVER: 3588

10/10/2008

SUPERVISOR: TIM FALCETTI

7:00 -

33

A

7 AM FLBK REPORT: CP 950#, TP 400#, 20/64" CK, 8 BWPH, TRACE SAND, - GAS  
TTL BBLS RECOVERED: 5718  
BBLS LEFT TO RECOVER: 3292

10:00 -

PROD

WELL TURNED TO SALES @ 1000 HR ON 10/10/2008 - FTP 450#, CP 1300#, CK 20/64", 500 MCFD, 528 BWPD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8  
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:  
ML-48758

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER \_\_\_\_\_

b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 2157'FSL, 1750'FEL  
AT TOP PRODUCING INTERVAL REPORTED BELOW:  
AT TOTAL DEPTH:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:  
STATE 921-32J

9. API NUMBER:  
4304738130

10 FIELD AND POOL, OR WILDCAT  
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  
NWSE 32 9S 21E

12. COUNTY  
UINTAH 13. STATE  
UTAH

14. DATE SPURRED: 7/3/2008 15. DATE T.D. REACHED: 9/5/2008 16. DATE COMPLETED: 10/10/2008 ABANDONED ☐ READY TO PRODUCE ☒ 17. ELEVATIONS (DF, RKB, RT, GL): 4909'GL

18. TOTAL DEPTH: MD 7,800 TVD 19. PLUG BACK T.D.: MD 7,364 TVD 20. IF MULTIPLE COMPLETIONS, HOW MANY? \* 21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
(CBL-CCL-GR) PE/LD/AE/CNL  
GR/E CAP SPECTROSCOPY  
23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)  
WAS DST RUN? NO ☒ YES ☐ (Submit report)  
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
8 3/4"	7" J-55	23#		2,550		245			
7 7/8"	4 1/2 I-80	11.6#		7,800		535			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6.699							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	5,207	7,340			5,207 7,340	0.36	196	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5207'-7340'	PMP 6829 BBLS SLICK H2O & 260,223# 30/50 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY  
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: \_\_\_\_\_

30. WELL STATUS:

PROD

RECEIVED

## 31. INITIAL PRODUCTION

## INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 10/10/2008	TEST DATE: 10/11/2008	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 345	WATER – BBL: 360	PROD. METHOD: FLOWING
CHOKE SIZE: 24/64	TBG. PRESS. 118	CSG. PRESS. 589	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

## INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	1,476				
MAHOAGANY	2,236				
WASATCH	5,209	7,449			
MESAVERDE	7,670	7,688			

## 35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 11/25/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

C

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: P.O. Box 173779  
city DENVER  
state CO zip 80217  
Phone Number: (720) 929-6304

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304734421	STATE 921-32L	NWSW	32	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	14522	2900	1/19/2005	2/1/2012		
Comments: moved into NBU — 3/30/2012						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304734872	STATE 921-32M	SWSW	32	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	14523	2900	1/19/2006	2/1/2012		
Comments: wsmvd moved into NBU — 3/30/2012						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738130	STATE 921-32J	NWSE	32	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16953	2900	7/3/2008	2/1/2012		
Comments: moved into NBU — 3/30/2012						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

JAIME SCHARNOWSKE

Name (Please Print)

Signature

REGULATORY ANALYST

Title

3/28/2012

Date

RECEIVED

MAR 29 2012